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September 24, 2012

VIA HAND DELIVERY

Ad Hoc Committee on Downtown Stadium  
and Convention Center Renovation  
200 North Spring Street, Room 340  
Los Angeles, CA 90012

Date: 9/24/12  
Submitted in Ad Hoc STADIUM Committee  
Council File No: 11-0023  
Item No.: 1  
Deputy: Adam R. Lid

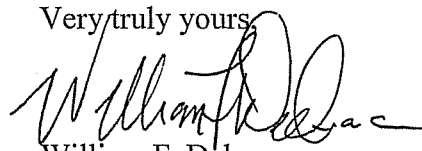
RE: Convention and Event Center Project

Honorable Councilmembers:

In reviewing the Determinations of the City Planning Commission and the City Attorney Reports that are before you today, we have identified a few minor corrections that we believe accurately reflect the action of the Commission on September 13, 2012. These are included as Part A of the attachment to this letter. We have also identified a few Applicant requests regarding the Development Agreement, which are included as Part B of the attachment.

We respectfully request that these minor corrections and requests be incorporated into the Ad Hoc Committee's report to the City Council. Thank you for your consideration of this matter.

Very truly yours,

  
William F. Delvac

cc: Michael LoGrande  
Jon Foreman  
Tim McWilliams  
Ted Fikre

## **PART A – CORRECTIONS TO DETERMINATION REPORTS AND CITY ATTORNEY REPORTS**

The Applicant requests that the City Council (a) make the following corrections to the Determination Reports, City Attorney Reports and documents attached thereto to conform with the approvals recommended by the City Planning Commission on September 13, 2012, and (b) correct all recommended actions to reflect these corrections. (*Language in italics is for reference only*)

### **1. Corrections to Determination Report for CPC 2012-0849-GPA-VZC-SP-SN**

- *Page C-2 of Determination Report (First paragraph of Q Condition No. A3)*

**"3. Site Development.** The subject Project shall be developed in substantial conformance with the conceptual site plans, marked Exhibit C (stamped and dated September 13, 2012, as attached to the case file), except as modified by this action. Minor deviations may be allowed in order to comply with provisions of the convention and Event Center Specific Plan, the Municipal Code, the subject conditions, and the intent of the subject permit authorization. Prior to the issuance of any building permits for each component of the subject Project, except demolition, excavation, or foundation permits, detailed plans indicating compliance with these conditions shall be submitted for review, to the satisfaction of the Director of Planning. Any ministerial approval(s) by the Director of Planning of the design detailing of the site plans, and any other changes or detailing of the site plans that are in substantial conformance with the site plans as set forth as Exhibit CE-4 shall be updated on Exhibit CE-4 accordingly. Thereafter, the subject Project shall be developed in substantial conformance with the Convention and Event Center Specific Plan. The Director may present any portion of the updated plans and additional design detailing to the City Planning Commission under the Director's Report under the City Planning Commission Agenda."

- *In Appendix A of the Convention and Event Center Specific Plan, change the reference to Exhibit E-1 to Exhibit C.*

- *Page C-4 of Determination Report*

**"4. Permitted Uses.** In compliance with Section 5 of the Convention and Event Center Specific Plan, ~~marked as Exhibit "4"~~, uses and supplemental uses on the subject property shall be restricted to those identified in the Convention and Event Center Specific Plan, or as approved in accordance with Section 12.24 of the LAMC."

- *Page C-7 of Determination Report*

#### **"MM-10 (Mitigation Measure B.1-1):**

Prior to issuance of a demolition or building permit for the Event Center, the Event Center Applicant shall enter into an agreement with LACMTA requiring the Event Center Applicant to (i) fund the actual cost of improvements to the Pico Station in accordance with a mutually agreed schedule for development, design and construction (which is presently estimated at a total cost of \$10.35 million), and (ii) to fund the actual increased operational costs at the Pico Station and other LACMTA stations impacted by the Event Center

project. The Event Center Applicant shall not operate the Event Center until the Pico Metro Station improvements have been completed or suitable alternatives for transit use shall be implemented. The Pico Metro Station, located on Flower Street between 12th Street and Pico Boulevard one block from the Project Site, is currently a single platform station with limited capacity access to the platform from the east sidewalk of Flower Street. LACMTA will use the Event Center Applicant's payments to (a) add a second platform parallel to the existing Pico Metro Station platform, and (b) refurbish the existing station platform to improve the passenger handling capacity and (c) provide additional staffing to ensure safe and efficient transit operations for events at the Event Center."

- Page C-36 of Determination Report

"6. **Building Plans.** Page 1 of the grant and all the conditions of approval shall be printed on the building plans submitted to the Department of City Planning and the Department of Building and Safety."

"7. **Corrective Conditions.** The authorized use shall be conducted at all times with due regard for the character ~~if~~of the surrounding district, and the right is reserved to the City Planning Commission, or the Director of Planning, pursuant to Section 12.27.1 of the Municipal Code, to impose additional corrective conditions, if in the decision maker's opinion, such actions are proven necessary for the protection of persons in the neighborhood or occupants of the adjacent property."

- Section 2 of Ordinance Amending Sections 12.04 and 12.16.4 of the Los Angeles Municipal Code to Establish a Convention and Event Center Zone (attached to Determination Report)

"The height districts for the "CEC" Zone are the Subareas shown in ~~Section 7~~Section 5 of the Convention and Event Center Specific Plan."

- Appendix C of Convention and Event Center Specific Plan and Mitigation Monitoring and Reporting Program (ENV No. 2011-0585-EIR)

**"Mitigation Measure B.1-1:**

Prior to the issuance of a building permit for the Event Center, the Event Center Applicant shall enter into an agreement with Metro LACMTA requiring the Event Center Applicant to (i) fund the actual cost of improvements to the Pico Station in accordance with a mutually agreed schedule for development, schedule and design and construction (which is presently estimated at with a total estimated cost of \$10.35 million), and (ii) to fund the actual increased operational costs at the Pico Station and other LACMTA stations impacted by the Event Center project. The Event Center Applicant shall not operate the Event Center until the Pico Metro Station improvements have been completed or suitable alternatives for transit use shall be implemented. The Pico Metro Station shall also be improved prior to the operation of the Event Center. The Pico Metro Station, located on Flower Street between 12<sup>th</sup> Street and Pico Boulevard one block from the Project Site, is currently a single platform station with limited capacity access to the platform from the east sidewalk of Flower Street. Metro-LACMTA will use the Event Center Applicant's ~~contribution~~ payments to (a) add a second platform parallel to the existing Pico Metro Station platform, and (b) refurbish the existing

station platform to improve the passenger handling capacity and (c) provide additional staffing to ensure safe and efficient transit operations for events at the Event Center."

- Statement of Overriding Considerations - (ENV No. 2011-0585-EIR)

*Conform the Statement of Overriding Considerations to the Community Benefits set forth in the Event Center DA.*

**2. Corrections to Determination Reports for CPC 2012-2311-DA and CPC 2012-2398-DA**

- Add the following to the end of Section F (Findings):

**"Environmental Finding**

1. The findings with respect to Environmental Impact Report (EIR No. 2011-0585-EIR; State Clearinghouse No. 2011031049) set forth in Case No. CPC-2012-0849-GPA-VZC-SP-SN at pages F-58 through the end (CEQA Findings), are incorporated by this reference as though fully set forth herein."

**3. Corrections to Determination Reports for CPC 2012-0851-SP and CPC 2012-2322-DA**

- *Replace the Environmental Finding with the Environmental Finding added to CPC 2012-2311-DA and CPC 2012-2398-DA as noted in Part A.2, above.*

**4. Corrections to Determination Reports for CPC 2012-2311-DA, CPC 2012-2398-DA and CPC 2012-2322-DA**

- *The Determination Report for each of the above-reference cases includes (1) an ordinance, (2) Development Agreement or Development Agreement Amendment, depending on the case, and (3) findings. In addition to the Determination Report, the City Attorney has submitted a report for each of the above-referenced cases that includes a draft ordinance and Development Agreement or Development Agreement Amendment, as appropriate to each Case. There are differences between the documents in the Determination Reports and the documents submitted in the City Attorney Reports. The Applicant requests that the City Council adopt the Development Agreement or Development Agreements Amendments, as applicable, submitted with the City Attorney Reports and adopt the findings submitted with the Determination Reports.*

**5. Correction to Determination Report for CPC 2012-0851-SP**

- Cover Page of Determination Report

"2. Recommend that the City Council Approve the requested Specific Plan Amendment pursuant to LAMC Section 11.5.7.G to modify Section 4 and Section 6.B.4 of the LASED Specific Plan to allow development of the Convention Center Expansion Parcel with any other use permitted by the Specific Plan upon the earlier of the issuance of a Temporary Certificate of Occupancy for the New Hall of the Convention Center or October 21, 2021."

- Findings on Page F-2 of Determination Report

"The proposed LASED Specific Plan Amendment would meet the objectives and policies of the Community Plan by releasing the Convention Center Expansion Parcel from development restrictions earlier than the existing release date should the parcel no longer be needed for the Convention Center expansion because of construction of the New Hall. By removing such restrictions, the LASED Specific Plan Amendment would enable development on the parcel consistent with the LASED Specific Plan, including additional hotel, retail, entertainment, cultural, theater, office and/or residential uses. New infill development such as this will stimulate additional that will encourage tourism, commercial and retail activity and help retain the existing retail base in the Central City by encouraging more people to stay and play in Downtown, thereby reinforcing the 24-hour environment for which in the Los Angeles Sports and Entertainment District is known. By facilitating new development that would support existing development, the LASED Specific Plan Amendment would also result in increased employment opportunities for local residents and increased revenue to the City. Because there is a local hiring program that applies to development within the LASED, many of the jobs that would be created would be filled by people from the local neighborhoods, including South Park, Pico Union and the areas to the south of the LASED. Thus, the proposed LASED Specific Plan Amendment will be consistent with the objectives and policies of the Community Plan."

**6. Correction to City Attorney Reports Re: CPC 2012-2311-DA, CPC 2012-2398-DA, CPC 2012-2322-DA**

- *The Planning Department case number identified on the cover page of each of the City Attorney's Reports submitted for CPC 2012-2311-DA, CPC 2012-2398-DA, CPC 2012-2322-DA is incorrect. The Applicant requests that the City Council modify the case numbers identified in the reports to correspond to the correct Planning Department Case files.*

**7. Modifications to Event Center Development Agreement (CPC 2012-2311-DA)**

- Section 3.2.1.2.1 of Event Center Development Agreement

"If Event Center Owner does not meet the goals described in this Section, after completion of construction Event Center Owner shall contribute the following, upon the completion of construction for failure to meet the construction local hiring goal and, for each year the goal is not met for the operational local hiring goal: \$25,000 to the Small Business Enterprise Development fund described in Section 3.2.4.3 below."

- Section 3.2.3.1 of Event Center Development Agreement

"The Event Center Owner shall guarantee \$2,000,000 through cash, bond or irrevocable letter of credit, payable to the Planning Department, for the development and implementation of neighborhood protection and land use planning initiatives to be implemented in the vicinity of the Project, with 50% of the payment to be made three (3) months after the Effective Date of this Agreement and the following 50% to be made prior to issuance of ~~the~~ either the demolition or building permit, whichever occurs first, for the Event Center Improvements. Expenditures from this fund shall be made at the sole discretion of the Director of Planning in consultation with the affected Council Offices. The following communities will be eligible for the

expenditure of funds: Pico Union, South Los Angeles and ~~Central City Downtown~~, with \$500,000 of the expenditures allocated to Pico Union and South Los Angeles."

**8. Modification to City Attorney's Report Re: CPC 2012-2398-DA**

- Paragraph (c) Section 1 of Draft Ordinance

"The Second Amendment will not be detrimental to the public health, safety and general welfare. The Second Amendment clarifies provisions in the Development Agreement regarding ~~its term~~, the legal description of the Property and City approvals governing the Property. These amendments do not otherwise affect the Applicant's obligations under the Development Agreement. Furthermore, the Second Amendment does not modify those provisions of the Development Agreement which specifically permit application to the project of rules and regulations under Los Angeles Municipal Code Sections 98.0605 to 91.101.1 relating to public health and safety."

**9. Modifications to Staples Center Development Agreement Amendment (CPC 2012-2398-DA)**

- *Renumber sections in Development Agreement Amendment to reflect consecutive numbers.*
- *On Attachment "1" – Project Approvals, on the left-side column replace Case No. CPC 2012-849 (GPA)(VZC)(SP)(SN)(DA) with the following: "CPC-2012-0849-GPA-VZC-SP-SN; CPC-2012-2311-DA; CPC-2012-2398-DA; ENV-2011-585-EIR", and on the right-side column add references to the Zone Map Change ordinance and Staples Center Development Agreement Amendment ordinance.*

**PART B – APPLICANT REQUESTED MODIFICATIONS TO DOCUMENTS RECOMMENDED FOR APPROVAL BY THE CITY PLANNING COMMISSION**

The Applicant requests the City Council to make the following changes to the Determination Reports, City Attorney Reports and attached documents and correct all recommended actions as appropriate. *(Language in italics is for reference only)*

**1. Modifications and Additions to Event Center Development Agreement (CPC 2012-2311-DA)**

- Second Paragraph of Section 6.1 of Development Agreement Exhibit E-2 – Carbon Neutrality Compliance Program

"An independent advisory panel ("Advisory Panel") shall evaluate Local Measures proposed by community groups, organizations or businesses through a request for proposal ("RFP") process. The Advisory Panel shall prioritize and recommend proposed Local Measures to the Operator based on specified criteria, including feasibility and effectiveness on a cost per ton basis. The Downtown L.A. Streetcar shall be given first consideration as a local measure. The Operator shall undertake feasible Local Measures recommended by the Advisory Panel subject to the following. To the extent the Operator has undertaken (or intends to undertake) Campus Measures, the Operator shall be permitted to apply reductions from such Campus Measures to achieve Carbon Neutrality; provided, however, that (a) the Operator must demonstrate to the reasonable satisfaction of the Advisory Panel that such Campus Measures are more cost-effective on a cost per ton basis than any third party Local Measures recommended by the Advisory Panel that the Operator

elects not to pursue, and (b) in any event, the Operator shall expend a minimum of 17.5% of its total SB292 carbon reduction offset budget ("Offset Budget") on recommended local measures other than Campus Measures."

- Add new language to Section 3.2.9 of Development Agreement

"Within 90 days following the Effective Date, the Event Center Owner shall provide \$80,000 to the City in connection with an analysis of Fire Department facilities in Downtown."

- Add new language to Section 6.3 of Development Agreement Exhibit E-2 – Carbon Neutrality Compliance Program

"8. Representative of a Neighboring Community selected by the Member of the City Council in whose district includes the South Park / Downtown L.A. area in direct proximity to the Event Center."